

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

In re Application of:	§	Confirmation No:	1204
Michael A. SHARP	§		
	§	Group Art Unit:	3688
Serial No.: 09/765,985	§		
	§	Examiner:	Krishan K. MITTAL
Filed: January 19, 2001	§		
	§	Atty. Dkt. No:	1002-001.00
For: Method and Apparatus for Embedding	§		
Advertisements in Audio Files for	§	Client Dkt. No:	65-1
Internet and Network Distribution	§		

**REPLY BRIEF**

Commissioner for Patents  
Mail Stop: Appeal Brief - Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

March 9, 2009

Dear Sir:

The examiner's answer of January 9, 2009 reiterates the examiner's reasoning contained in the Final Office Action of April 9, 2008, and supplements that reasoning with new arguments in support of those rejections. Appellant hereby submits this reply brief to respond to these new arguments and also to correct the identification of the Real Party in Interest.

**Real Party in Interest**

Appellant wishes to alert the Board and examiner that as of Feb. 10, 2009, the patent application has been assigned to a newly-formed company named Patent A, LLC of Gulfport Mississippi. With this assignment, one of the affiants in this matter (Rod Underhill) has acquired a 3% ownership interest. The rest of the ownership interest is shared between Kent E. Lovelace, Jr., Michael A. Sharp, J.R. Rick Carter, and Zidaco G.P. of Memphis Tennessee.

**Examiner's Response regarding Claims 14-15, 17-23**

On page 11 of the Examiner's Answer, the examiner asserts "the Examiner did not have to cite prior art to include *downloading* and *storage* [of audio files] as the basis of the rejection." Appellant respectfully traverses. The term "download" requires storage, and one of the reasons

the examiner's rejection cannot be sustained is because Wolfe does not teach or suggest audio files available for download.

On page 11 the examiner further asserts that Wolfe describes a download function at col. 5, lines 53-63, and hence "it would have been obvious to one of ordinary skill at the time of the invention for Wolfe to provide audio files to be available for download by web site visitors and thus benefiting the advertisers as well". Appellant respectfully traverses because not only is this not obvious, Wolfe teaches away<sup>[1]</sup> from such a modification for reasons which have been previously explained:

- (1) Wolfe employs streaming as a precaution against piracy, whereas downloading ostensibly lessens the provider's control of the audio content;
- (2) Wolfe's business model is a pay-for-play system, whereas downloading subverts this model by enabling unregulated playback of the audio files; and
- (3) Wolfe relies on streaming to target the advertising to each individual user, whereas downloading makes it likely that the audio files will be shared by multiple users.

At least one other reason exists for why providing audio files with embedded sponsorship messages for downloading would have been highly counterintuitive to Wolfe and those of skill in the art at the time the invention was made. The television and radio paradigm emulated by Wolfe enables the advertising messages to change with the times, e.g., as new advertising campaigns are developed to promote the latest and greatest products and services. This immediacy is directly attributable to Wolfe's use of streaming. Streaming enables the advertising delivered with given audio content to change such that a different ad could be delivered each time a listener plays a song.

Conversely, in the claimed invention the embedded sponsorship messages are permanently associated with the audio content, and can be heard by listeners for years or decades after the file has been downloaded. The appellant is the first to recognize and exploit the

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[1] *In re Gurley*, 31 USPQ2d 1130, 1131 (Fed. Cir. 1994) ("A reference may be said to teach away when a person of ordinary skill, upon reading the reference, would be discouraged from following the path set out in the reference, or would be led in a direction divergent from the path that was taken by the applicant."). *See also United States v. Adams*, 383 U.S. 39, 52, 148 USPQ 479, 484 (1966) ("known disadvantages in old devices which would naturally discourage the search for new inventions may be taken into account in determining obviousness").

promotional value of downloadable audio files with embedded sponsorship messages. Wolfe certainly did not, and it is at least partly for this reason that Wolfe does not teach or suggest the claimed invention. In fact, the evidence at hand indicates *nobody* had previously contemplated the claimed invention. See Underhill Affidavit, p1-2 (“[A]s a co-founder of MP3.com ... I spent a considerable amount of my time analyzing the business models of all potential competitors. ... To the best of our knowledge no such model [as providing commercial ads with downloaded songs] had previously been attempted”).

On page 12, the examiner asserts anew that “the system designer is given two options: either allowing the user to copy and disseminate the file or using encryption to prevent the user from doing so”. This type of flawed reasoning is known as a “False Dilemma” in that it unjustifiably reduces the number of alternatives to be considered. See, e.g., C. Stephen Layman, The Power of Logic 2ed., © 2002 McGraw Hill, Boston, p.148-149. As previously explained, the system designer had at least one other alternative at the time of the invention – the designer could choose to prevent copying and dissemination simply by employing the streaming technique, which would not require the use of encryption. Encryption is merely an additional safeguard against piracy. In any event, the real point is that the streaming technique employed by Wolfe does not teach or suggest having audio files available for download as recited by the claim.

#### **Examiner’s Response regarding Claim 16**

On page 13, the examiner asserts that Wolfe discloses messages being played a given number of times and “therefore, it would have been obvious ... to provide for basing the royalty on [the] number of times an audio file is downloaded.” Appellant traverses because a download operation is quite distinct from a playback operation and hence the examiner’s reasoning simply does not support his conclusion.

#### **Examiner’s Response regarding Claims 24, 27-29**

To alleviate the improper reliance of these rejections on an Official Notice, page 14 of the examiner’s answer cites col. 3, lines 48-56 of Wolfe as suggesting the transferring of the audio file from a computer to an external playing device. This response by the examiner conflicts with the reasoning in the examiner’s rejection provided on page 5 of the examiner’s answer. First, the

“subscriber operating PC’s 12, 14, ..., 16 (or other device capable of receiving individualized content for audio and/or video production)” are the same computers/devices cited by the examiner as downloading the audio file, so that the examiner’s new reasoning would render either the “downloading” or “transferring” actions as superfluous claim language. Second, the examiner’s rejection on page 5 openly states “Wolfe ... does not explicitly disclose transferring the audio file to an external playing device”. Appellant maintains that Wolfe does not teach or suggest (1) a source of the download; (2) the computer receiving the download; **and** (3) the external playing device. Wolfe’s streaming technique employs only a source and a target; no third participant is contemplated therein.

#### **Examiner’s Response regarding Claims 25-26**

On page 15 the examiner asserts “that if Wolfe’s combined stream of content and advertisements were able to be separated by the user, then it would not be an ‘inseparable stream’, contrary to the Appellant’s arguments.” Appellants respectfully traverse. Wolfe’s stream is inseparable because it is *streamed* and discarded. When the examiner presumes storage of the “inseparable stream”, the inherency of the inseparable nature of the content cannot also be presumed. As contemplated by Wolfe, the association between the advertising and audio content is entirely transitory. Wolfe would have found it counterintuitive and undesirable to embed a sponsorship message in a downloadable file due to the permanence of such a format.

#### **Examiner’s Response regarding Claims 30, 32-33**

On page 15 the examiner asserts that his response to appellant’s arguments for claim 14 also apply here. Accordingly, appellant’s reply for claim 14 above also applies here. It should also be noted that the claim language in claim 30 explicitly recites “transmitting at least one combined file to a user to store the combined file in its entirety for later playback”. Thus this claim requires a longevity of association between the message file and the audio content that is clearly beyond anything contemplated or suggested by Wolfe. Again, Wolfe teaches a streaming method to parallel the television and radio paradigm in which advertising messages are kept current and can be updated at a whim, whereas the value of the claimed invention is not perceived or suggested by Wolfe.

**Examiner's Response regarding Claim 30**

On page 16 the examiner asserts that his response to appellant's arguments for claims 30 and 16 also apply here. Accordingly, appellant's reply for claims 30 and 16 also applies here.

**Examiner's Response regarding Claim 34**

On page 17 the examiner asserts that "one object of Wolfe's invention is to provide music to the general public – *more than one subscriber* (col. 1, lines 54-59)". Appellant notes that the actual language used by Wolfe is "It is a further object of this invention to provide programmed music to the general public in a manner which facilitates the bundling of such programmed music with advertisement copy *tailored to the individual*, to thereby underwrite the cost" (emphasis added). This again emphasizes that Wolfe's associations between content and advertising are ephemeral. For each subscriber, Wolfe generates an individualized stream that is to be played and discarded. Those skilled in the art at the time of the invention would not have recognized the value in having a sharable file that provides a lasting association between a sponsorship message and the audio content.

**Examiner's Response regarding Claims 35-36**

On page 18 the examiner asserts that his response to appellant's arguments for claim 14 also apply here. Accordingly, appellant's reply for claim 14 above also applies here. It should also be noted that the claim language in claim 35 explicitly recites "transmitting the combined file to a user computer wherein the entire combined audio file is saved for later playback or transfer to an external multimedia player". Thus this claim requires that the association between the message file and the audio content be able to survive a transfer to an external player, which is clearly beyond anything contemplated or suggested by Wolfe. As previously noted, Wolfe teaches a streaming method that parallels the television and radio paradigm in which advertising messages are kept current and can be updated at a whim, whereas the value of the claimed invention is not perceived or suggested by Wolfe.

**Examiner's Response regarding Claim 37**

On page 18 the examiner asserts that his response to appellant's arguments for claims 35 and 25 also apply here. Accordingly, appellant's reply for claims 35 and 25 also applies here.

### Examiner's Note

On page 18, the examiner further asserts that in the Appeal Brief, the appellant has focused on the examiner's specific prior art citations "and has failed to recognize that the specified citations are representative of the teachings in the art. ... Appellant has failed to take into consideration fully the entire reference as potentially teaching all or part of the claimed invention." However, the examiner cannot base a rejection on the degree to which "specified citations are representative" or a reference "potentially" teaches a claim limitation. To the contrary, the examiner is required to produce a *factual basis* for his rejections. See *In re Warner*, 154 USPQ 173, 177 (C.C.P.A. 1967), *cert. denied*, 389 U.S. 1057 (1968) ("We think the precise language of 35 U.S.C. 102 ... clearly places a burden of proof on the Patent Office which requires it to produce the factual basis for its rejection of an application under sections 102 and 103").

### Conclusion

The examiner's "response to arguments" which have not been explicitly addressed above are adequately addressed by the Appeal Brief. For the reasons provided in the Appeal Brief and in this Reply Brief, appellant maintains that the examiner's rejections should be reversed.

If any fees are inadvertently omitted or if any additional fees are required or have been overpaid, please appropriately charge or credit those fees to Krueger Iselin LLP Deposit Account Number 50-4305/1002-001.01/DJK.

Respectfully submitted,

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